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## U.S. House of Representatives Committee on Energy and Commerce Washington, DC 20515-6115

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October 15, 2007

The Honorable Daniel R. Levinson
Inspector General
U.S. Department of Health and Human Services
330 Independence Avenue, S.W.
Cohen Building, 5<sup>th</sup> Floor
Washington, D.C. 20201

Dear Mr. Levinson:

The Health Insurance Portability and Accountability Act of 1996 (Public Law 104–191), section 202, authorized the Centers for Medicare and Medicaid Services (CMS) to contract with certain entities to fulfill program integrity functions for the Medicare program, through a competitive process for awarding contracts. Entities awarded such contracts are called Program Safeguard Contractors (PSCs). A July 2007 report entitled "Medicare's Program Safeguard Contractors: Activities to Detect and Deter Fraud and Abuse," issued by your office, noted that PSCs reported to CMS that they had referred overpayments totaling \$173.6 million to CMS' claims-processing contractors in calendar year 2005. PSCs are not responsible, however, for determining how much money the claims-processing contractors recover as a result of these referrals.

The Committee on Energy and Commerce and its Subcommittee on Oversight and Investigations continue to monitor the activities of PSCs, and the effectiveness of the PSC program. We request that, as a follow-up to the July 2007 report, the Office of Inspector General conduct a study to determine the dollar amount of overpayments claims-processing contractors recover as a result of referrals from PSCs. Such a study could include all PSCs that had benefit integrity task orders in a given time period and the claims-processing contractors affiliated with those PSCs. We believe it would be most helpful if the recovered overpayments were analyzed according to PSC and provider type.

We ask that you provide the Subcommittee with the results of your review at the earliest possible opportunity and that in conducting your work you provide the Committee staff with periodic updates on the status of your work.

## The Honorable Daniel R. Levinson Page 2

Thank you for your assistance in this regard. If you have any questions, please contact us, or have your staff contact Kristine Blackwood with the Committee staff at (202) 226-2424.

Sincerely,

John D. Dingell

Chairman

Bart Stupak

Chairman

Subcommittee on Oversight and Investigations

cc: The Honorable Joe Barton, Ranking Member Committee on Energy and Commerce

The Honorable Ed Whitfield, Ranking Member Subcommittee on Oversight and Investigations